



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

October 27, 2009

Certified Return Receipt  
7003 2260 0002 0247 8713

PM Power Resources, LLC  
19 East 200 South, Suite 1080  
Salt Lake City, Utah 84111

Subject: Notice of File Closure and Release of Reclamation Surety; PM Power Resources LLC; DG Mining Claims 1,2,3,4; E/019/0065; Grand County, Utah

Dear Gramlich:

The following small mine permit, E/019/0065 located in Grand County, Utah, will now be closed and the file retired.

An inspection was performed May 5, 2009, and it was determined that the sites were reclaimed and that they can be fully released. On August 27, 2009, we received concurrence from the Bureau of Land Management that they agree with the file closure and release of the surety.

Enclosed please find a check for \$17,791.36 which represents a full refund of the surety. We are returning your original reclamation contracts to you for your disposal or records.

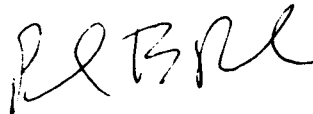
You are hereby released by the Division from further reclamation responsibilities at these sites. If you wish to conduct any future mining or exploration related activity in this area, you will need to submit new notices to the Division and other appropriate agency(ies), and provide reclamation surety prior to creating any disturbance.



Page 2  
PM Power Resources LLC  
DG Mining Claims 1,2,3,4  
E/019/0065  
October 27, 2009

If you have any questions or concerns regarding this action, please contact me at (801) 538-5261 or Tom Munson at (801) 538-5321. Thank you for your patience.

Sincerely,

A handwritten signature in dark ink, appearing to read 'P. B. Baker', written in a cursive style.

Paul B. Baker  
Minerals Program Manager

PBB:tm:pb

Tasks #2972

ENCLOSURES: Check, Original Reclamation Contract

cc: [Marie\\_mcgann@blm.gov](mailto:Marie_mcgann@blm.gov)

[opic\\_abayta@blm.gov](mailto:opic_abayta@blm.gov)

P:\GROUPS\MINERALS\WP\M019-Grand\E0190065-DG Mining Claims\final RETIRE-2972-10272009.doc

110000513

Account Number:

Account Name: OGM - PM Power Resources LLC

Tran #: 16032117

Admin Name: Raylyn Daniel - UST 801-844-8523

Date: 10/20/2009

This check constitutes payment of the following:

Escrow Disbursements  
final release of acct

Paid For:

Amount: \$17,791.36

110000513

Payee:

PM Power Resources LLC  
c/o Utah State Treasurer  
350 N. State Street ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315

ARLAND CLARKE M17873 09624493

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

OFFICIAL CHECK

110000513

Zions First National Bank  
Salt Lake City, Utah  
801-844-7089

OGM - PM Power Resources LLC

Trust Account 8912028

10/20/2009

\$17,791.36\*

Seventeen Thousand Seven Hundred Ninety One Dollars & 36/100

Pay to the Order Of:

PM Power Resources LLC  
c/o Utah State Treasurer  
350 N. State Street ste 180  
PO Box 142315  
Salt Lake City UT 84114-2315



Details on Back. Security Features Included.

E0190065

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940  
---ooOoo---

**EXPLORATION RECLAMATION CONTRACT**

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **PM Power Resources LLC** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct exploration operations under Notice of Intention (NOI) File No. E/019/065 which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the exploration operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the exploration operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the exploration operations conducted or to be conducted pursuant to a Complete Notice of Intention. If the Notice of Intention to Conduct Exploration Operations affects more than five (5) acres, the Operator further agrees to reclaim in accordance with the mining and reclamation plan (Reclamation Plan) approved by the Division.
2. A Notice of Intention to Conduct Exploration is valid until November 30<sup>th</sup> of the year following submittal. Reclamation required by this Contract and the Reclamation Plan, must be completed within that time unless an operator prior to expiration notifies the Division in writing specifying the reasons an extension is required. Failure to make a request and pay the fees as required

may result in suspension of the Operator's authorization to conduct exploration operations.

3. The Lands Affected by the exploration operations and subject to the requirements of the Act and this Contract include:
  - A. All surface and subsurface areas affected or to be affected by the exploration operations including but not limited to on-site private ways, roads, and railroads; land excavations; drill sites or workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, or waste discharge areas, structures, and facilities; shafts, drill holes, and pits or cuts; and
  - B. All exploration disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by exploration or mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the exploration operations as described in the Complete NOI.
4. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI, which are intended to assist in determining the location of the exploration operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
5. The Operator prior to commencement of any exploration operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
6. If the Surety expressly provides for cancellation or termination for non-renewal:

- i. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
  - ii. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further exploration activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the exploration operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.
- 7. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by exploration operations in accordance with the Act and regulations, as amended. If the Operator desires to extend the exploration operations beyond November 30<sup>th</sup> of the year following submittal or if the exploration operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
- 8. If reclamation of discrete sections of the Lands Affected by the exploration operations is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the exploration area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining exploration operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
- 9. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.

10. Operator agrees to pay all legally determined public liability and property damage claims resulting from exploration operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
11. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
12. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.
13. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease exploration operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
14. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
15. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
16. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the exploration operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.

17. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

PM Power Resources, LLC  
Operator Name

By Geoff Williams  
Authorized Officer (Typed or Printed)

Member  
Authorized Officer - Position

G. Williams 7.2.08  
Officer's Signature Date

STATE OF Utah )  
 ) ss:  
COUNTY OF Salt Lake )

On the 2<sup>nd</sup> day of July, 2008, Geoff Williams personally appeared before me, who being by me duly sworn did say that he/she is an Member (owner, officer, director, partner, agent or other (specify)) of the Operator PM Power Resources, LLC and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Megan Gillies



MEGAN GILLIES  
Notary Public, State of Utah  
My Commission Expires  
February 29, 2012  
19 E. 200 S. Suite 1080,  
Salt Lake City, UT 84111

Notary Public  
Residing at 19 E. 200 S. Suite 1080 Salt Lake City, UT 84111



February 29, 2019  
My Commission Expires:

DIVISION OF OIL, GAS AND MINING:

By \_\_\_\_\_  
John R. Baza, Director

\_\_\_\_\_  
Date

STATE OF \_\_\_\_\_ )  
\_\_\_\_\_) ss:  
COUNTY OF \_\_\_\_\_ )

On the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, \_\_\_\_\_  
personally appeared before me, who being duly sworn did say that he, the said  
\_\_\_\_\_ is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_

\_\_\_\_\_  
My Commission Expires:

FACT SHEET

Commodity: \_\_\_\_\_

Mine Name: D.G. Claims 1,2,3,4

Permit Number: EO190665

County: Grand

Acres: less than 2

Total Number of Holes: 12

Wet: 2 Dry: 10

Number of Holes permitted: 12

Wet: 2 Dry: 10

Operator Name: P. M. Power Res

Operator Address: 19 E 200 St Suite 1080 84111

Operator phone: 801-322-3409

Operator Fax: 801-595-0967

Operator Email: Queen Bee @ X mission .com

Contact Name: Mark Gramlich 801-209-6703

Surety Type: Cash

Surety Amount: 17,554.00

Account number: \_\_\_\_\_

Tax ID or SS number (required for cash only): ~~555~~

Surface owner: BLM

Mineral owner: BLM

Other reference numbers: \_\_\_\_\_

\*\*\*DOGM Contact: Jed Pearson, State of Utah, Division of Oil Gas and Mining, 801 538 5382 or [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov)

E0190065

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION of OIL, GAS and MINING**  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940  
---ooOoo---  
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WHEREAS, Operator desires to conduct exploration operations under Notice of Intention (NOI) File No. **E/019/065** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the exploration operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the exploration operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

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  - ii. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further exploration activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the exploration operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.
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9. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.

10. Operator agrees to pay all legally determined public liability and property damage claims resulting from exploration operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
11. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
12. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.
13. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease exploration operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
14. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
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16. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the exploration operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.

17. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

PM Power Resources, LLC  
Operator Name

By Geoff Williams  
Authorized Officer (Typed or Printed)

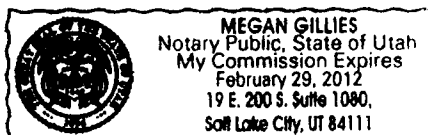
Member  
Authorized Officer - Position

G. Williams 7.2.08  
Officer's Signature Date

STATE OF Utah )  
 ) ss:  
COUNTY OF Salt Lake )

On the 2<sup>nd</sup> day of July, 2008, Geoff Williams personally appeared before me, who being by me duly sworn did say that he/she is an Member (owner, officer, director, partner, agent or other (specify)) of the Operator PM Power Resources, LLC and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Megan Gillies  
Notary Public  
Residing at 19 E. 200 S. Suite 1080 Salt Lake City, UT 84111



February 29, 2019  
My Commission Expires:

DIVISION OF OIL, GAS AND MINING:

By John R. Baza  
John R. Baza, Director

7/23/08  
Date

STATE OF Utah)  
COUNTY OF Salt Lake) ss:

On the 23 day of July, 2008, John R. Baza  
personally appeared before me, who being duly sworn did say that he, the said  
John R. Baza is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland  
Notary Public  
Residing at: Salt Lake City, Utah

05/08/2010  
My Commission Expires:



*[Handwritten signature]*

7/22/08

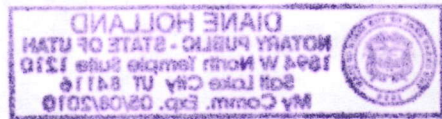
U.H.H.  
Self Lake

John R. Holland

July

John R. Holland

*[Faint handwritten text]*  
Self Lake, Utah



02/08/2010

FACT SHEET

Commodity: \_\_\_\_\_

Mine Name: O.G. Claims 1,2,3,4

Permit Number: EO190665

County: Grand

Acres: less than 2

Total Number of Holes: 12

Wet: 2 Dry: 10

Number of Holes permitted: 12

Wet: 2 Dry: 10

Operator Name: P. M. Power Res

Operator Address: 19 E 200 St Suite 1080 84111

Operator phone: 801-322-3409

Operator Fax: 801-595-0967

Operator Email: Queen Bee P X mission .com

Contact Name: Mark Gramlich 801-209-6703

Surety Type: Cash

Surety Amount: 17,554.00

Account number: \_\_\_\_\_

Tax ID or SS number (required for cash only):

Surface owner: BLM

Mineral owner: BLM

Other reference numbers: \_\_\_\_\_

\*\*\*DOGM Contact: Jed Pearson, State of Utah, Division of Oil Gas and Mining, 801 538 5382 or [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov)

Office

11-24  
1210(8)

## CASHIER'S CHECK

SERIAL #: 0634302104  
ACCOUNT #:Purchaser: H D WILLIAMS  
Purchaser Account: 0611140203

June 25, 2008

PAY TO THE ORDER OF \*\*\*UTAH DIV. OF OIL, GAS & MINING\*\*\*  
\*\*\*REF: H D Williams\*\*\*

\*\*\*Seventeen thousand five hundred fifty-four dollars and no cents\*\*\*

\*\*\$17,554.00\*\*

WELLS FARGO BANK, N.A.  
SALT LAKE CITY, PCS  
299 S MAIN STREET  
SALT LAKE CITY, UT 84111  
FOR INQUIRIES CALL (480) 394-3122NOTICE TO PURCHASER -- IF THIS INSTRUMENT IS LOST,  
STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION  
AND REISSUANCE. AS A CONDITION TO CANCELLATION AND  
REISSUANCE, WELLS FARGO BANK MAY IMPOSE A FEE AND  
REQUIRE AN INDEMNITY AGREEMENT AND BOND.VOID IF OVER US \$17,554.00  
**NON-NEGOTIABLE**

## Purchaser Copy

FB004 M4203

06343 11-24  
Office AU # 1210(8)

## CASHIER'S CHECK

0634302104

June 25, 2008

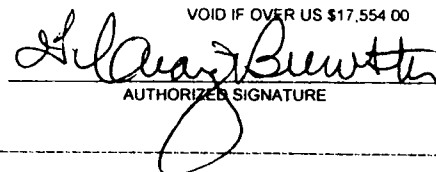
PAY TO THE ORDER OF \*\*\*UTAH DIV. OF OIL, GAS & MINING\*\*\*  
\*\*\*REF: H D Williams\*\*\*

\*\*\*Seventeen thousand five hundred fifty-four dollars and no cents\*\*\*

\*\*\$17,554.00\*\*

WELLS FARGO BANK, N.A.  
SALT LAKE CITY, PCS  
299 S MAIN STREET  
SALT LAKE CITY, UT 84111  
FOR INQUIRIES CALL (480) 394-3122E0190065  
DG1,2,3,4

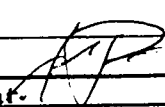
VOID IF OVER US \$17,554.00

  
AUTHORIZED SIGNATURE

## Cash RECEIPT

Date 7-08-08

MINERALS BOND \$17,554.00

Permit Number	E/019/065
Operator	PM Power Resources LLC
Received by	Jed Pearson
Signature	I confirm the dollar amount of this check is correct <sup>the</sup> and amount. 

# CASHIER'S CHECK

SERIAL #: 0634302104  
ACCOUNT #:

Purchaser: H D WILLIAMS  
Purchaser Account: 0611140203

June 25, 2008

PAY TO THE ORDER OF \*\*\*UTAH DIV. OF OIL, GAS & MINING\*\*\*  
\*\*\*REF:H D Williams\*\*\*

\*\*\*Seventeen thousand five hundred fifty-four dollars and no cents\*\*\*

**\*\*\$17,554.00\*\***

WELLS FARGO BANK, N.A.  
SALT LAKE CITY, PCS  
299 S MAIN STREET  
SALT LAKE CITY, UT 84111  
FOR INQUIRIES CALL (480) 394-3122

NOTICE TO PURCHASER -- IF THIS INSTRUMENT IS LOST,  
STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION  
AND REISSUANCE. AS A CONDITION TO CANCELLATION AND  
REISSUANCE, WELLS FARGO BANK MAY IMPOSE A FEE AND  
REQUIRE AN INDEMNITY AGREEMENT AND BOND.

VOID IF OVER US \$17,554.00

**NON-NEGOTIABLE**

## Purchaser Copy

FB004 M4203

06343 11-24  
Office AU # 1210(8)

# CASHIER'S CHECK

0634302104

June 25, 2008

PAY TO THE ORDER OF \*\*\*UTAH DIV. OF OIL, GAS & MINING\*\*\*  
\*\*\*REF:H D Williams\*\*\*

\*\*\*Seventeen thousand five hundred fifty-four dollars and no cents\*\*\*

**\*\*\$17,554.00\*\***

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299 S MAIN STREET  
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FOR INQUIRIES CALL (480) 394-3122

E0190065  
DG1,2,3,4

VOID IF OVER US \$17,554.00

*[Signature]*  
AUTHORIZED SIGNATURE

E/019/065





Offi 11-24  
1210(8)

# CASHIER'S CHECK

SERIAL #: 0634302104  
ACCOUNT #:

Purchaser:  
Purchaser Account: H D WILLIAMS  
0611140203

June 25, 2008

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FOR INQUIRIES CALL (480) 394-3122

E0190065  
DG1,2,34

VOID IF OVER US \$17,554.00

AUTHORIZED SIGNATURE

## Cash RECEIPT

Date 7-08-08

**MINERALS BOND** \$17,554.00

Amounts	
Permit Number	E/019/065
Operator	PM Power Resources LLC
Received by	Jed Pearson
Signature	I confirm the dollar amount of this check is correct and amount. <i>[Signature]</i>



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 22, 2009

Coleen Hackwell, Financial Analyst  
State of Utah  
Office of State Treasurer  
E315 State Capitol Complex  
Post Office Box 142315  
Salt Lake City, Utah 84114-2315

Subject: Authorization for Release of Cash Deposit Held by Utah State Treasurer; PM Power Resources LLC; DG Mining Claims 1, 2, 3, and 4; E/019/0065; Grand County, Utah

Dear Ms. Hackwell,

The Utah State Treasurer is presently holding funds for the benefit of the State of Utah, Division of Oil, Gas and Mining as a form of reclamation surety for the following projects:

Permit ID	Mine Name	BOND AMOUNT			OPERATOR Check payable to	Account Number
		Total Amount Held	Release Amount Requested	Amount to be Retained		
E/019/0065	DG Mining Claims 1, 2, 3, and 4	\$17,554	\$17,554 plus interest	\$0.00	PM Power Resources LLC	

Please note that the total amount to be released is to include interest accrued in this account, and no money needs to be retained.

Please make the check payable to the operator and remit the funds to the Division, attention: Minerals Regulatory Program—Bond Coordinator.



Page 2  
Coleen Hackwell  
E/019/0065  
September 15, 2009

If you have any questions or require further discussion regarding the content of this letter, please contact Penny Berry, bond coordinator, at 801-538-5291, or by e mail at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov).

Sincerely,



Dana Dean, P.E.  
Associate Director

DD:lah:pb

cc: [marie\\_mcgann@blm.gov](mailto:marie_mcgann@blm.gov)  
[opie\\_abeyta@blm.gov](mailto:opie_abeyta@blm.gov)

P:\GROUPS\MINERALS\WP\M019-Grand\E0190065-DG Mining Claims\final\cashr-2972-09152009.doc



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

**Inspection Report**  
**Minerals Regulatory Program**  
Report Date : August 1, 2009

Reviewed \_\_\_\_\_

<b>Mine Name:</b> DG Mining Claims # 1,2,3,4	<b>Permit Number:</b> E190065
<b>Operator Name:</b> PM Power Resources LLC	<b>Inspection Date:</b> 05/05/2009
<b>Inspector(s):</b> T Munson	<b>Time:</b> 4:30-5:00
<b>Other Participants:</b> None	<b>Mine Status:</b> Reclaimed

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Bond Renewal Date:** 8/14/2011

**Bond Amount:** \$17,554

**Bond Amount to Release:** \$17,554

**Permit fee** is up to date

**Purpose of Inspection:**

To inspect the site to determine if the holes had been plugged and the site reclaimed.

**Inspection Summary:**

The site had 7 drill holes from the map submitted 06/17/2008 numbered 042, 041, 045, 034, 035, 036, 037. Any visible drill sites found on site had PVC pipe collars and the others had wooden stakes with no visible PVC pipe. It was not possible to remove the Stakes, having been cemented in the PVC Pipes or the ground. Another party according to Rebecca Doolittle of the BLM drilled these sites. The BLM confirmed that the sites drilled by PM Powers Resources had been plugged, regraded, and seeded and the other drill sites with PVC pipe or stakes were from another party.

Photos were taken.

**Conclusions and Recommendations:**

The site can be released as the vegetation standards are met given the Salt Playa had very little or no desirable vegetation. The operator was called and asked for drill hole closure data. The BLM has not provided written concurrence on bond release yet.

**Inspector's Signature** \_\_\_\_\_

TM

cc: Pm Power Resources LLC  
[rebecca\\_doolittle@blm.gov](mailto:rebecca_doolittle@blm.gov)

O:\M019-Grand\E0190065-DG Mining Claims\inspections\insp-05052009.doc

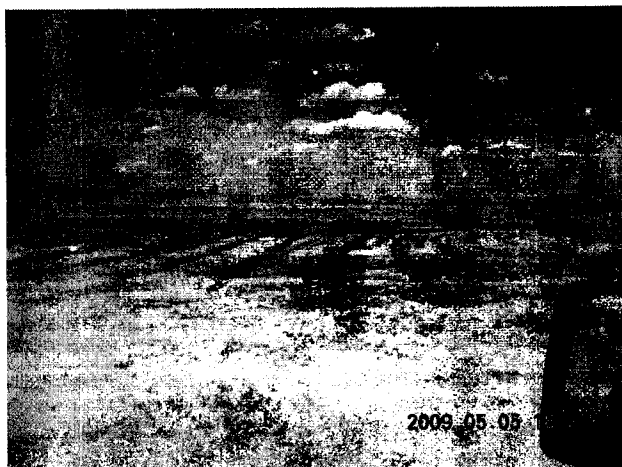


Inspection Date: May 6, 2009

Page 2 of 2

E/019/0065

M0190065 - DG Mining Claims Exploration  
Photos taken May 5, 2009



Regrading looks good, vegetation is sparse desert vegetation.



Area is very sparse vegetation and there are several drill holes with PVC collars



Old drill hole, from another drilling company.



BLM inspection 12/2009.



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Moab Field Office  
82 East Dogwood  
Moab, Utah 84532

E/019/065  
00032: Tom



IN REPLY REFER TO:  
3809  
(U-070)  
UTU-83413

CERTIFIED MAIL # 7006 0100 0001 5606 5887  
RETURN RECEIPT REQUESTED

PM Power Resources  
c/o Philip F. Gramlich  
72 East 200 South  
Moab, Utah 84532

RE: DG Claims Exploration Drilling Project Bond Release

Dear Mr. Gramlich:

On May 8, 2009 the BLM received your request through the Division of Oil, Gas and Mining to release the full financial surety amount of \$17,697.44 for the DG Claims Exploration Drilling Project. We inspected the reclamation on August 19, 2009 and drill location had been fully reclaimed and seeded. After consultation with the Division of Oil, Gas and Mining we have agreed to release the full bond amount of \$17,697.44.

Please contact Rebecca Doolittle at (435) 259-2100 or Lynn Jackson at 435-259-2150 if you have any questions.

Sincerely,

/s/ A. Lynn Jackson

A. Lynn Jackson  
Associate Field Manager

cc. Tom Munson, UDOGM, E/019/065  
Opie Abeyta, BLM, UT-923

RECEIVED  
AUG 27 2009

DIV. OF OIL, GAS & MINING

0003



JON M. HUNTSMAN, JR.  
Governor  
GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report

#### Minerals Regulatory Program

Report Date : August 1, 2009

Reviewed CK

<b>Mine Name:</b> DG Mining Claims # 1,2,3,4	<b>Permit Number:</b> E190065
<b>Operator Name:</b> PM Power Resources LLC	<b>Inspection Date:</b> 05/05/2009
<b>Inspector(s):</b> T Munson	<b>Time:</b> 4:30-5:00
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**Inspector's Signature** T. Munson

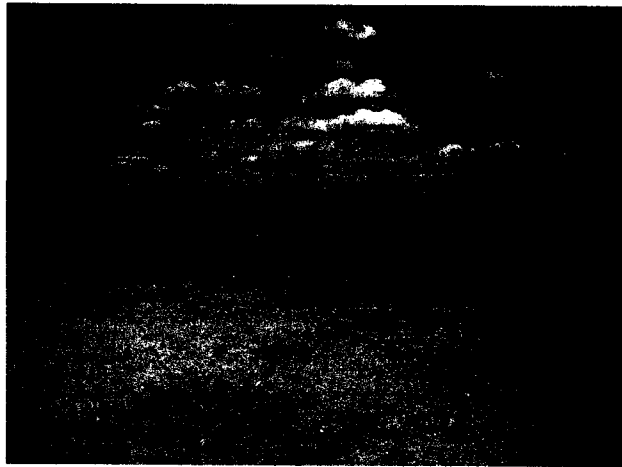
TM

cc: PM Power Resources LLC

[rebecca\\_doolittle@blm.gov](mailto:rebecca_doolittle@blm.gov)

O:\M019-Grand\E0190065-DG Mining Claims\inspections\insp-05052009.doc

M0190065 - McIntyre Exploration  
Photos taken May 5, 2009



Regrading looks good, vegetation is sparse desert vegetation.



Area is very sparse vegetation and there are several drill holes with PVC collars



Old drill hole, from another drilling company.



BLM inspection 12/2009.

## **Penny Berry - Re: E0190065 DG Mining**

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**From:** Tom Munson  
**To:** Berry, Penny  
**Date:** 8/11/2009 4:13 PM  
**Subject:** Re: E0190065 DG Mining

---

No, we do not, once again we are waiting on Rebecca Doolittle, she is leaving at the end of the month to take a new job in Monticello.

Tom Munson  
801-538-5321  
[tommunson@utah.gov](mailto:tommunson@utah.gov)

>>> Penny Berry 8/11/2009 10:31 AM >>>  
Hi Tom,

Do we have the BLM concurrence on this bond release? Let me know.